

Subject: Re: Business scenarios and valuations

From: AnaKP <anakp2014@gmail.com>

Date: 3/1/2016, 4:58 PM

To: [REDACTED] >

CC: David Kennedy <dk@theunitedpropertygroup.com>, James Robinson <jr@theunitedpropertygroup.com>, Neil Storey <neilstorey1@gmail.com>

Hi [REDACTED]

This rationale would make sense - except for one small detail - I was instrumental in putting the BarWorks product together - thats the only reason I was able to put the deal together for us (UPG) that I did. Ergo - (especially from an accounting perspective) it belongs in the "development" pot.

We allowed the revenue to go into the UPG pot because of the deal that we struck - if that deal hadn't been in place things may, or may not, have been different (UPG may have negotiated so aggressively with us that they arrived at that deal anyway... unlikely as they had been unable to do so previous - but possible)

The fact is though, that is was my assistance in the initial product that got us the deal we have..

Its definitely part of Neil's and my contribution - and belongs in the bin that James & David were promised 10% of in return for 50% of UPG.

So its important to recognize that some of the our "development input" is and already has been "paying off" - its not all "in the future".

This is also important as I would argue that UPG only has the cash it has due to the introduction of this - from the development arm of the business - and so the fact that we can explore and pursue some of the initiatives we are pursuing are ONLY POSSIBLE AS A RESULT OF BARWORKS INCOME - i.e., introduction by us as developers on the development side of the business - so WHEN WE SPEND MONEY ON INITIATIVES ITS NOT REALLY UPG FUNDING IT - ITS A JOINT INITIATE - FUNDED BY OUR INGENUITY AS DEVELOPERS (THE LEASE CONCEPT WAS MINE) AND THE SALES ABILITY OF JAMES AND DAVID....

Anyway thats the only significant one I feel needs to be highlighted at present...

Thanks

Nite

Jim

[REDACTED]